

PERSONNEL/ADMINISTRATIVE AFFAIRS COMMITTEE

MAY 2, 2016

A meeting of the Personnel/Administrative Affairs Committee was held on Monday, May 2, 2016, at 7:00 p.m. in the Aldermanic Chamber.

Chairman Benjamin M. Clemons presided.

Members of the Committee present: Alderman-at-Large David W. Deane, Vice Chair
Alderman Tom Lopez
Alderman Don LeBrun
Alderman June M. Caron

Also in Attendance: Alderman David Schoneman
Alderman Ken Siegel
Mayor Jim Donchess
Alderman-at-Large Brian S. McCarthy

PUBLIC COMMENT - None

INTERVIEWS

Arts Commission

Lindsay Rinaldi (New Appointment) For a Term to Expire: April 1, 2018

Roberta "Mitzi" Barrett (New Appointment) For a Term to Expire: May 1, 2019

Mayor Donchess

I wanted to introduce the two nominees for the Arts Commission. First is Mitzi Barrett who is involved in many Boards and Commissions. She used to be the President of the School Board some years ago but more recently New Hampshire Public Radio, the Advisory Council for the Currier, the Audubon Society, the Humanities Council and the Board of Education. I think she will be a strong member on the Arts Commission.

We also have Ms. Rinaldi who is a teacher of music at the New Hampshire Community Music School. She has taught at Southern New Hampshire University and is very active in music and I think she will provide a lot of insight to the Arts Commission as we try to expand the Performing Arts Center and look at various ways to improve the artistic opportunities in the city.

Ms. Barrett

I have been involved in a variety of things that have to do with the arts not the least of which was way back when we children's museum. The nearest and dearest to my heart would be the Concerts in the Schools Program which the organization I belong to helps support financially. Anything that has to do with children then I want to be there.

Ms. Rinaldi

I am the newly appointed Executive Director of the Nashua Community Music School. I have been very heavily involved in the arts in Nashua for the majority of my life. I got my degree in music performance as well as my Master's degree in Opera performance. I am a big fan of a lot of efforts that Nashua has been putting forward, particularly in the past few years. The growth of Symphony New Hampshire, the Performing

Arts Center and most near and dear to my heart is the continual growth of the Nashua Community Music School. The school has been running in Nashua for over 32 years and it's small but it does so much good in order to promote art and music awareness in the community. Within the last two years we have opened up a full-fledged music outreach program that brings programs to schools and folks of all sorts of backgrounds; children or adults. Prior to that I was an adjunct professor at Rivier College in the Department of Art and Music and I am currently still on staff as a voice instructor and adjunct instructor of music education at Southern New Hampshire University. I am really excited to put my energy into the Arts Commission.

Alderman Caron

Mitzi I think you will be a great asset to that committee and I'm really excited.

Alderman Lopez

I'd like to ask both of you to talk briefly about what you see the role of the Nashua Arts Commission being in the community and what are some ideas that you have moving forward?

Ms. Rinaldi

The familiarity that I have has to do with my perspective as a grant seeker. The Nashua Community Music School applies for grants often from the Nashua Arts Commission in support of our Music for all Scholarship Campaign and one of the things that I see when I go the Arts Commission meetings as a grant seeker is there are so many wonderful projects in this town but there's only so much funding so how can we continue to expand how we can touch all of these different types of projects. I think my background would help to make those decisions be a little bit more widespread and having another perspective on how to evaluate those types of grant applications and making sure that they are helping towards the specific goal as opposed to just a general project. The other angles of the Arts Commission, although I've yet to explore them, I am very interested in seeing some of the different aspects that the Arts Commission can do to provide perhaps additional fund raising for the city or other events that could perhaps double as fundraising activity as well as a fun and enriching event for the community.

Ms. Barrett

I have an interest in providing space for the arts to take place. When I was on the Charitable Foundation in Nashua one of the things that we did was grants and there was never enough space. A while back the Library Board of Trustees was asked whether or not they would like to have the building; the old fire house building. I have a friend who was a director at the Peacock Players and we did a tour of that building and the building is substandard. I also think there is a need for coordination with the schools and other institutions within this city and I didn't even know the Arts Commission existed until about two months ago. I think there are some very serious questions that have to be answered and I'd like to have a role to play in that.

Alderman Lopez

Mayor Donchess, both nominees seem very experienced and knowledgeable. Personally, I like what I am hearing from both candidates.

Ms. Rinaldi

I think one of the unique perspectives that I can provide to the Arts Commission is that I've been in the arts in the public schools; elementary, junior high and high school. I also have a lot of connections with teachers and principals and administration that already exists in those schools.

Chairman Clemons

Thank you both for volunteering and I think you are both going to do a wonderful job on the Arts Commission. The committee will take up your appointment in a little bit.

Business & Industrial Development Authority

Kim Reagan (New Appointment)

For a Term to Expire: May 1, 2019

Chairman Clemons

Ms. Reagan could not make it this evening due to an illness.

Conservation Commission

William S. Parker (New Appointment)

Term to Expire: December 31, 2018

Mayor Donchess

Bill has operated for quite some time Parker Garden Design. He has a lot of landscape expertise. He is on the New Hampshire Landscape Association, a member of the American Professional Landscape Designers and also a member of the New England Landscape Design Association. I think he clearly has an interest in conservation in the city and I believe will help to provide a background that we don't now have on the Conservation Commission which is somebody who is knowledgeable professionally about landscaping. I think he'll do a really good job on the commission.

Mr. Parker

I own a landscape company here in Nashua and I've been in the landscape profession for 35 years. I have developed a real interest in the impact that development has on our eco systems. Part of the reason that I would like to be part of the Conservation Commission is that I think that the knowledge base that I have could really offer a lot to the commission through my understanding of things such as invasive species management and also through my landscape construction experience, I have developed a knowledge of slope stabilization, erosion control and all of the things that we are faced with as we develop sites. Most importantly, I've been in Nashua for 20 years and I have a real interest in becoming a better part of the community and I would look forward to being a part of Jim's team, I have a lot of respect for Jim.

Alderman Lopez

Do you have any specific areas that you are concerned about in terms of development and necessary preservation in my Ward particularly? I know Mine Falls are on everyone's radar but we've also had some projects like the Broad Street Parkway that has impacted some more wild areas.

Mr. Parker

I think we should be very protective of our parks. We are fortunate enough to have quite an extensive park system; especially Greeley Park. I would be interested in understanding more about our park system and what sort of plans are in place to preserve those pieces of land. I've had a keen interest in the development that has gone on Main Street and how we plan to manage the new landscaping that's happening on Main Street. I attended the meeting a few weeks ago about what was being proposed for City Hall.

Alderman McCarthy

What do you understand the role of the Conservation Commission to be?

Mr. Parker

That's a good question. I've been on the other side with many different towns submitting plans for development. Through my experience with other towns' Conservation Commission's I understand what they do. I've never been a part of a city's Conservation Commission so it would be really interesting to understand more of what they do. I imagine that they are overseeing development just from the brief meeting that I had with Jim before this meeting. I would imagine they make sure that systems are put in place to preserve as much as our native habitat as possible. I'm curious as to what else they are involved with.

Alderman McCarthy

By law the Conservation Commission is just an Advisory Board to the Zoning Board of Adjustment that advises that Board on the facts relevant to wetlands exceptions. Our Conservation Commission takes a little bit more of an active role in terms of conservation lands but basically a lot of the things that you just mentioned would not fall under the purview of the Conservation Commission on a normal day. They have nothing to do with downtown, that is the Board of Public Works and they have nothing to do with the parks, that's also the Board of Public Works. I want to make sure that you understand what the role is in that Board. It's basically to say whether or not a wetland special exception is a good idea and whether or not conditions should be placed upon it.

Alderman Lopez

Would it be appropriate to ask the Mayor, based on what we talked about, specifically what he hopes Mr. Parker will contribute?

Mayor Donchess

The Conservation Commission plays the role that Alderman McCarthy mentioned but they also help to recommend what to do with the conservation fund that we have which now amounts to a couple of million dollars. They hopefully can advise the city effectively on how to spend that money in acquiring additional conservation parcels. More recently they have been involved in supervising the project of the Southwest Trail through conservation lands that have previously been acquired by the city or preserved as part of development. I believe that with no other person with landscaping expertise that Bill will provide a perspective in terms of all of these duties which other people on the Conservation Commission or on the Zoning Board of Adjustment really have.

Alderman Lopez

Can I get clarification as what is defined as a wetland?

Alderman McCarthy

There are maps of where the wetlands are. Not every piece of property that is wet is wetlands; it has to do with all different types of vegetation and the amount of time that it spends being wet. They are delineated through a set of engineering standards. The GIS map delineates where the wetlands are. Basically if you work within 25' of any of the wetlands you have to get an exception from the Zoning Board of Adjustment and if you get to the prime wetlands within 75' you have to get a permit and if you build then you meet a number of criteria. I actually think the things you are talking about are things that the Conservation Commission could do a better job at telling us about. There is somewhere between

500 and 1,000 acres in the southwest quadrant of conservation land that we purchased about 20 years ago and set aside. There's another 500 acres or so up in the northwest quadrant. The commission has been very active in expanding and preserving those. We put agreements in place with the Society for the Protection of New Hampshire Forests to get conservation easements onto those properties. I think one of the things you ought to look at on the commission is if there are things that the commission would like to send white papers to the city on, for example, here's a good idea for how to maintain the parks or the vegetation on Main Street. I would certainly welcome hearing that.

Alderman Lopez

Having grown up in the Concord area it is important for a growing city to look at how its wetlands are treated so I appreciate that we have a committee for that and that someone who has a landscaping background adds a practical knowledge to it.

Alderman Deane

Have you attended any Conservation Commission meetings?

Mr. Parker

I have not.

Alderman Deane

Have you review any of their minutes?

Mr. Parker

I have not.

Alderman Deane

Have you looked at any of their agendas?

Mr. Parker

I have not.

Chairman Clemons

I'll say that from my own personal perspective behind my house right now they are building a housing project and the Conservation Commission reviewed it last year because it was in the wetland zone and it got a favorable recommendation. They kept four big maple trees which abut behind my property.

Alderman Deane

What is the name of the housing project?

Chairman Clemons

It's the Salmon Brook Project, the senior housing.

Alderman Deane

Who is doing it, is it Southern New Hampshire Services?

Chairman Clemons

Yes. My father in law is an arborist and he said you would have thought that would have put in the porous pavement because the maple trees are probably going to die because the root system goes underneath that way and the water is not going to be able to come underneath that pavement. I think that had someone like yourself been on that committee then maybe that would have been something that you would have picked up on. Hopefully you will bring that type of perspective. I don't know how much you work with that kind of thing; do you do a lot with trees and things like that?

Mr. Parker

Yes, I have extensive knowledge of tree root systems, perennial (inaudible) and the impact that development has on our trees. For the most part people have a limited knowledge of tree root systems. Tree root systems can reach out beyond the drip line canopy of the tree. 95% of the trees roots are within the first 24" to 30" of the ground. I have some concerns about how the trees were installed on Main Street. Granted I do not fully understand what the Conservation Commission does on a regular basis and I have not reviewed minutes or agendas but I feel as though there are definitely things that I could offer to the Conservation Commission. Granted, some of the things that I am talking about being passionate about probably have nothing to do with the Conservation Commission but still the breadth of my knowledge is wide and I'm sure some of that could be focused into areas that could be very beneficial.

Chairman Clemons

I think you are going to bring a lot to the table.

Alderman Siegel

I used to be an alternate liaison to the Conservation Commission. Have you spoken to Chairman Gallagher at all or anybody? I applaud your willingness to volunteer but I think you would do yourself a service and actually go to one of the meetings because I think you may find that it is slightly different than what your expectation is not having seen it. I think it will be a little different than what you might expect.

Chairman Clemons

Thank you for your time and we will take up your appointment shortly.

Zoning Board of Adjustment

Mariellen MacKay
(Moving from Alternate Member to Full Member)

For a Term to Expire: September 11, 2018

Mayor Donchess

Mariellen MacKay is my nominee for the Zoning Board of Adjustment. She is currently an alternate on that Board so she knows the responsibilities of the Board very well. She has sat on a number of cases already. She's very active in the community and has been a State Representative. She is on the Housing Authority and is someone that I think will do very well on the Zoning Board of Adjustment.

Ms. MacKay

I've been on the Zoning Board of Adjustment and I enjoy it. It can get very technical and when you brought up the Conservation Commission and given their input to the Zoning Board of Adjustment; one of the last cases we dealt with had to do with remediation, wetlands and trees. The final outcome was a little different than the request but we did what we felt was in the best interest of the applicant and followed the rules. I'm also on the Nashua Housing Authority and the Nashua Historic District. I love this city, I came here 33 years ago from New Jersey and it's a breath of fresh air and I'd like to see it stay that way. I also bring my experience and knowledge around the world of disabilities. I sit on the Building Code Review Board for the state and that ties into the Zoning Board of Adjustment, it lets me understand things in a little bit different perspective but when I listen as a member of the Zoning Board of Adjustment I feel more like a member of the public because I am listening as a citizen and I'm listening to if it is esthetically pleasing, does this follow the needs and meeting the needs of everybody concerned and protecting the City of Nashua at the same time and if there are accessibility issues then I want to know that too.

Alderman LeBrun

I just want to say that I have known Mariellen for quite some time and I served with her in the state house for two years. I can vouch for the fact that she does an exemplary job regardless of what it is that she gets involved in.

Alderman Siegel

I am pleased to see Mariellen being nominated for a full position. I have a decidedly more positive view than the previous candidate who came before this Board for evaluation for that full term.

Alderman Schoneman

I am not on this committee and I can't vote but I've known Mariellen for a while, we are neighbors and I'm glad to see that she is considering moving up to a full member. I think she's done a great job. During the last few months it came to light that most of the cases that come before the Zoning Board of Adjustment for variances; the vast majority get approved and the concern was raised that perhaps that's not the best thing to do if we have zoning rules that are supposed to protect setbacks and those kinds of things. What are your thoughts on the percentage of cases that get approved versus disapproved.

Ms. MacKay

I think the Zoning Board of Adjustment should be doing exactly what it is doing. It's doing its research and homework and it's listening and paying attention to buffer zones and what the rules are. At the last Zoning Board of Adjustment we actually denied a variance for a lot of good reasons. It was just the wrong thing to do and while the applicant felt that it might have been the right thing to do, all five of us felt it was the wrong thing to do. We don't always say yes but sometimes you have to be cruel to be kind. Even the application on the wetlands, the applicant wanted thirteen trees cut down because they could have presumably fallen on his house. The Conservation Commission said six but the application said ten so we went with the ten. So, we said no to thirteen and no to six and yes to ten.

Alderman McCarthy

I want to offer a piece of advice that was offered to me when I was on the Zoning Board of Adjustment. The previous zoning administrator said when in doubt, deny.

Chairman Clemons

Thank you very much for your willingness to move forward to a permanent position.

Personnel Advisory Board

Michelle O'Malley (New Appointment)	For a Term to Expire: May 1, 2017
Sheila J. Kabat (New Appointment)	For a Term to Expire: May 1, 2018
Carol Baldwin (New Appointment)	For a Term to Expire: May 1, 2019

Mayor Donchess

We are nominating three people to the Personnel Advisory Board. The Board does not always meet because it has basically two specific functions. Number one is when there is an appeal regarding any type of severe discipline that takes place in city government. The Personnel Advisory Board can sit on an advisory appeal and render an advisory decision. Secondly, when there is a proposal to amend the merit plan the Personnel Advisory Board is tasked with rendering an opinion and reviewing the recommended changes. As I came into office there weren't active members on the Personnel Advisory Board because it hadn't sat for some time but now we have a proposed change to the personnel rules and therefore we wanted to make sure that the Board was full so the Board could render its responsibilities with respect to the proposed changes.

First we have Sheila Kabat who is with Snowden and Associates. She has long and extensive experience in the human resources/personnel area. In addition to her job she has a MS in Business from Leslie, a BA from Sienna Heights University and several other certificate types of degrees. She's been very active in the community including Leadership Greater Nashua and I think with her wealth of experience she will provide valuable insight with respect to the recommendations which we are looking to the Board to make.

The next nominee is Carol Baldwin who is the Executive Director of the Adult Learning Center and recently moved to Nashua. Prior to that, she was the human resources manager for Riverstone Resources, LLC. Again this is someone who has extensive experience in human resources field.

Third we have another highly qualified applicant, Michelle O'Malley and she is the Executive Director of the March of Dimes where she has been for several years and she has also been Dean of Students at Daniel Webster College and she was the Director of Community Living at Brandeis University in Waltham. I think she also helps to provide a valuable perspective with respect to our personnel rules and the merit system.

Ms. O'Malley

I have an undergraduate degree in human resources management and then went on to pursue my Master's degree in student leadership management and I served as a college administrator for 20 years before working for the March of Dimes and in that role I have supervised many people so I am very familiar with the policies and more importantly I have been a resident of Nashua for the past 10 years. I have two young children in the school system here and I'm very interested in becoming more involved in the community. I am an applicant for Leadership Greater Manchester right now. I've always been interested in leadership and just how personnel really matters and working together matters in making a difference in our community.

Ms. Kabat

I have resided in New Hampshire since 1979 and in Nashua since 1991. I did serve on this committee and we only had one issue and there were two of us, myself and a gentleman from BAE. I am a human resource and organizational development practitioner and I run for an absentee owner a small company and we've been around for 37 years. Our focus is statewide and the reason I stopped travelling internationally and said to myself that I am going to earn my money where I live and make your contribution where you live and I've been doing that working with profit and non-profit. I was absolutely delighted to be asked to make a contribution in Nashua.

Ms. Baldwin

I was born and raised in Nashua, class of 1978. I am thrilled to have moved back to Nashua. I took over the Adult Learning Center two years ago and the first thing I did was put in an HR Department, hired an HR Coordinator and re-wrote the employee handbook. I am honored to be here and look forward to serving.

Alderman Lopez

Michelle, why are you applying for Leadership Greater Manchester and not Nashua?

Ms. O'Malley

My office and most of our corporate sponsors and partners are Manchester related so when I am working I spend all of my time in Manchester so professionally it is an opportunity to build relationships for our partnerships.

Alderman Lopez

I work closely with the Adult Learning Center and I have watched it transform into a more organized and professional one over the last two years and I'm think I'm getting a sense of why because I didn't realize they had no HR Department.

Alderman Deane

Have any of you ladies worked for the City of Nashua?

Ms. Kabat

No, but I do get \$100.00 when I do the polls.

Unidentified Speaker

As a substitute teacher once.

Alderman Deane

Have you looked at the merit plan that we have currently?

Unidentified Speaker

We were just given it before this meeting so we will all be reading it.

Alderman Deane

You were busy reading in the Mayor's office before the meeting? The Mayor explained the role of the Personnel Advisory Board. When we bring changes into the merit plan it's got to go through a process. I brought a piece of legislation in and I may amend it to reflect another change but it does nothing but adds to the steps. The problem we have is compression where the next thing you know is that there are people that are off the grid and you've got other people that are on the grid. You'll have a director that's making \$6,000 more than a superintendent of that division in which the director might have two or three superintendents under them. Even after this we are still going to have a Deputy Fire Chief that's going to be off the grid. A number of years ago we tried to reel that in. There are a large number of employees here that the merit plan is in lieu of another union and we have to make adjustments to it. Ms. Kabat, did you serve with Roland Peterson when he was on the Personnel Advisory Board?

Ms. Kabat

No, there were only two of us; it was Ron Paul from BAE and myself.

Alderman Deane

I will say that this is a very qualified group of women that the Mayor has brought forward to fill these positions. The background that you all have is pretty amazing.

Chairman Clemons

Thank you very much for your willingness to volunteer and we will take up your appointment shortly.

Economic Development Director

Timothy Cummings (New Appointment)

Indefinite Term at the Pleasure of the Mayor

Mayor Donchess

I am nominating Tim Cummings for the office of Economic Development Director. This is a position that needs to be confirmed by the Board of Aldermen. We advertised extensively and received 15 to 20 applications. The field was narrowed down to two final applicants. We had an interview team, the CFO, the Director of Community Development, the Public Works Director, the Treasurer and the Human Resources Director. Mr. Cummings was their recommendation. He has had experience in economic development in areas that I think can be very helpful to us. He has been the Executive Director of the Economic Development Organization in Marlborough, MA where they have been very active in company recruitment in filling commercial office and industrial space and he's recommendations and references were really stellar. The interview team was very impressed with Tim and his qualifications, his interest and his energy. We have talked about some of Nashua's challenges and the issues we want to undertake the economic development area. First we do have some definite strengths to work on. We have seen the tech industry; particularly in the south end grow very substantially over the past several years and we want to build upon that strength, in the Gateway Hills Development and elsewhere. I think Tim is very experienced in terms of the tech industry and attracting tech. Another of course is retail where we have a very strong base in the south end and on Amherst Street. We need to work on company recruitment as we always have trying to attract as many employers as possible to our area. We do have commercial and industrial space, I think 12% or 13% vacancy rate which is higher than some other areas on New Hampshire. We need to get involved in workforce development which means working with schools and community colleges with companies in order to make sure that we are generating employees that are qualified to fill the jobs that exist because when we talk to our business community we hear that one big challenge that many businesses face, particularly those in manufacturing and technology is finding employees who are qualified to fill the positions that exist. Of course we have the downtown and the river front. We now have a Downtown Specialist, James Vayo who is working for economic development but we need to focus on finding and stimulating residential development downtown, tech and other industries in the Millyard as well as Main Street and other retail development. We are reaching out to many people to try to make those things happen. Tim will, I am sure, contribute to that as well. I think if you look at his resume, his involvement in Marlborough and some other times in Massachusetts, you'll see someone that has a lot of experience and can help a great deal with our challenges in Nashua. He has degrees from Suffolk where he has a BA also Northeastern where he has a Master's degree in public policy. I know you are all very interested in the subject economic development and I assume will have a number of questions for Mr. Cummings.

Mr. Cummings

I grew up just down the road in Burlington, MA. I had the pleasure of working at the knee of some great economic development professionals in the Town of Burlington a few years ago and that's what got my start

in the profession. I've worked with all levels of government starting out right after undergrad working in Washington, D.C. I've spent the bulk of my career working for the Commonwealth of Massachusetts and then transitioned to the local level and focused on community and economic development. I am the son of an Urban Planner, particularly traffic planning so I grew up having conversations around land/use and land/use control so it's something that I am very passionate about. I have a leadership style centered around grass roots. I tend to look at my job more as facilitation and consensus building. I will leave it there for the Board to ask questions. I am looking forward to this opportunity and thank you for having me.

Alderman Deane

Do you consider yourself a good listener?

Mr. Cummings

Yes.

Alderman Deane

Did you look at the Economic Development Departments operating budget?

Mr. Cummings

Yes.

Alderman Deane

Could you give me your thoughts on that?

Mr. Cummings

That's a good question. I thought it was a good department in terms of its structure. In terms of how you fund special projects, I would need to learn a little bit about and I'm still trying to understand that because it seems like it's a pretty tight budget, especially coming from the community that I work in right now where within my operating budget we have approximately \$250,000 to execute on different types of economic development programming. As I've looked at the budget to try to better understand it those are some of the questions that I'll be looking to ask over the coming weeks.

Alderman Deane

Your theory on staffing levels?

Mr. Cummings

In what sense?

Alderman Deane

Well, you've seen the budget, your expertise is in economic development, you have a good idea and you must have talked with the Mayor somewhat. Is there adequate staffing and funding in there to start to execute some of these ideas?

Mr. Cummings

To start to execute I would suggest yes but I wouldn't be able to comment fully until I actually got into the

position and observed and was able to comment more effectively one I was here.

Alderman Deane

Are you aware that we have a spending cap in place?

Mr. Cummings

I am.

Alderman Siegel

I had asked the Mayor if I could meet with Mr. Cummings prior to the meeting which was nice. I'm pretty confident that Mr. Cummings would be an asset to the city. We had a good conversation and kicked around a lot topics. I think we are looking at an upgrade over what we had before.

Chairman Clemons

With regard to the other employee that you speak of, I will only say that he did a fantastic job in my opinion.

Alderman McCarthy

What do you see as the first three things that we need to do for economic development?

Mr. Cummings

Again I wouldn't be able to say what the first three things are without being here; six months from now I might be able to comment more effectively. I have a meeting set up with Sarah next Friday to discuss some ideas. One of the things that I've been asking about is a master plan, particularly a strategic vision for the administration to help guide us to help with decision making. That would be one of the goals that I would suggest.

Alderman McCarthy

How would you go about developing that strategic plan?

Mr. Cummings

I think getting community input would be paramount to make sure it's a good, well-functioning document but something that also expresses some goals, particularly some tangible goals like helping with a housing development in the downtown; 500 units into the downtown would be a goal that I would be looking to articulate into that strategic plan.

Alderman McCarthy

I would suggest that you take a look in the ordinances on the section of strategic plans and review the procedures that are supposed to be used. There is a provision for the Mayor and the Board to develop strategic plans which we have not done much of over the past decade or so. I think a plan by the Board and the administration would be a great place to start.

Alderman Lopez

I will comment on how positively that I feel that your first step is to listen. Everybody wants to be able to fix what they identified as a difficulty in Nashua's economy and I appreciate someone who really wants to stop and listen and look at the situation first. I feel very strongly that my Ward has an enormous amount of capacity that's untapped. People who can contribute a lot of knowledge, experience and problem solving and even alternative strategies that just aren't engaged. I think a lot of that is that people in the past who have tried to develop economic ideas have just bolted onto to a preconceived notion that they have onto the community and said this is what the community wants because this is what they thought they wanted and then they put a lot of effort into convincing the community. I think Nashua knows what it wants but needs someone to actually listen. I think we have a unique city with unique needs and priorities. I think having someone who wants to develop a strategic plan for economic development based on the people who are here is exactly what we need moving forward.

Alderman Siegel

When are you going to scrap the "Dare to Begin" slogan or are you?

Mayor Donchess

I have to say that we didn't spend any time discussing "Dare to Begin."

Alderman McCarthy

I sat down with Mr. Cummings and his first question to me was what do you think is important about economic development? While I had a fairly high opinion of the previous economic development director I think we will be well served and be just fine. I just want comment on "Dare to Begin," while we don't like it as a city I would caution us that other groups have actually adopted it and while we are not using it as a city abandoning it would have some effects on some other people who have adopted some "Dare To" logos.

Chairman Clemons

I would agree.

Alderman Lopez

I actually asked that question and I don't think it has much penetration in the world around us. I think there are other organizations like the Chamber of Commerce that use "Dare to Succeed." Anyone who is using it is not going to be harmed by it and I don't think you should be in any way handicapped by oh we did this and we put all of this effort in...if it's not working and nobody knows about it then just figure out what Nashua really identifies it as and move with that.

Alderman McCarthy

All I am saying is that we ought to make sure that the other people who have adopted it, which to my knowledge are the Chamber, the School Board and I believe the Airport Authority. We ought to make sure that we have something that works for everybody if we want to replace it.

Chairman Clemons

You know the ram that keeps hitting his head against the dam, are you prepared for that? Nashua is a very stubborn place. I grew up here and I love Nashua. We've had our ups and downs and often times

the debates that go on for the major changes are very contentious here, more so than in other communities. Does Marlborough have a commuter rail?

Mr. Cummings

No, it doesn't.

Chairman Clemons

In my opinion that's a positive because I don't think that is something that Nashua is going to have anytime soon as well, unfortunately. We need to find a second way of making ourselves more business friendly without relying on that. You said you had a \$250,000 budget in Marlborough, what did you spend the bulk of that on and where did the money come from?

Mr. Cummings

My budget, in its entirety is somewhere around \$730,000. We spend about \$250,000 on administration; we have four FTE's and office space. The remainder was devoted to special projects, about \$200,000. We had two additional line items that were lumped in last year; one was we capitalized a revolving loan fund, the city put forward \$100,000 and we had four to five financial institutions locally that kicked in an equal amount, each of us pooled the money for about a 20% stake and that was to help with entrepreneurship and gap financing for small projects. The last \$100,000 was for real estate re-development in the downtown to help a project that was near and dear to the city's heart on Main Street. That approximate \$250,000 was spent on marketing and promotion of the city so we have a Marlborough campaign that is executed that is a media buy that we spend of \$50,000 on a digital marketing campaign, print media buys, direct letters and outreach to professional. We also do site selector visits where we do what is called fam tours where we bring commercial real estate professionals or management consultants from across the country into the city to talk about opportunities that might be there or we would go to them. Last year alone we travelled to New York, Chicago, Dallas and Atlanta to talk about the City of Marlborough. It helped us backfill and drop our vacancy rate. The City of Marlborough in 2008 through the 2010 period saw a lot of office space come onto the market. We replaced 2.3 million square feet with new tenants which brought in 5,000 to 6,000 new jobs to the city. We were able to do that by working really closely with the asset managers and the leasing agents of our major assets.

Chairman Clemons

You spent \$250,000 on marketing, was that per year or just last year?

Mr. Cummings

No, prior to my coming to the City of Marlborough in that 2010 period the city went through an extensive master plan and effort because they realized that their need to backfill the office space was great. They saw the exodus of HP and Fidelity Investments. The number one role in that master plan was to market and promote the city so it could backfill that office space. At the end of the day I look at economic development as the fuel to the engine. It is the revenue that will help provide direct services. The City of Marlborough put into place this master plan and they decided that marketing and promotion would be their number one goal and with that they formalized and created my office.

Chairman Clemons

How many new businesses came in and what has that done for the property tax revenues?

Mr. Cummings

I can't tell you definitively in the City of Marlborough and the Commonwealth of Massachusetts. We don't need to have every business register with us. We worked with 30+ companies over the last couple of years to come into the city. We were directly involved with tax benefit deals of about five. We saw that our commercial assessments increased last year by over 10% and the year before by 6% and the year before that 5%. I think this year we will see something in that 10% range. We saw our values increase. We have a split tax rate. The community has made a decision to try to equalize that tax rate and reduce the tax rate on the commercial sector which started at \$31.00 and today it's at \$25.00 and hopefully the goal is to equalize that with the residential rates so we will have a single tax rate system. The only way to address your obligations and your liabilities is if you keep growing the pot so looking for ways to new growth is paramount to what I do. In the City of Marlborough our tax rate is about \$25.00 on a \$10 million evaluation and that's \$250,000 of brand new money to the budget of the city.

Chairman Clemons

I think you have done a wonderful job in Marlborough and I think that your approach is exactly what we need in Nashua. Are you familiar with the economic disadvantages of New Hampshire versus Massachusetts?

Mr. Cummings

I am probably not familiar with those "disadvantages." I've only thought about some of the opportunities, the taxes tend to be less, you have great infrastructure; innovation companies tend to look for access to talent and you have great access to human capital. That's one of the biggest drivers in site selection decisions. It seems like you have great quality of life.

Chairman Clemons

Unfortunately we have highest business taxes in the country; in New Hampshire so when you compare that to a company that's deciding whether it's going to move to Marlborough, MA or New Hampshire, a lot of times that can be the deciding factor. In my mind that's our biggest obstacle but I love your optimism.

Alderman Lopez

What might look like stubbornness could in fact be passion and I think if you are on the wrong side of a decision and someone has the passion to maintain it, it could be reflected as a wall that you have to bang your head against. On the other side of that, there are a lot of efforts that happen in Nashua that are driven by passion. People here in Nashua work very hard because they think it's inherently valuable. In Massachusetts they have a different economic layout than New Hampshire does. New Hampshire in my experience has a much more robust non-profit sector. You have the public sector that is driven by tax revenue and is determined by elected representatives and the private sector which is driven by profit. The non-profit sector is generally driven by people with specific purposes, missions and a commitment towards pursuing that narrow goal. Do you have experience building partnerships between all three of those sectors?

Mr. Cummings

Yes, I have worked with many different stakeholders. Mr. Chairman, you asked about the funding of my office in Marlborough. The City of Marlborough has a 4% local tax on hotel rooms and in 2008-2009 the state gave the municipalities the ability to charge an additional 2% and the city decided to take that in 2011 and earmark it to business development and economic development.

Alderman McCarthy

Given the size of the budget you've got in Marlborough, what would possess you to come to Nashua?

Mr. Cummings

There are a lot of great things about Marlborough but Nashua is double the size and is a little bit more advanced in some of its real estate development opportunities and I'm looking forward to those types of challenges.

Alderman Siegel

I'd like to correct a misconception. The business taxes in New Hampshire are unattractive for SCORPS and CCORPS and so the larger companies is a difficult and it's only curable at the state level, we have no control over that. LLC's however, are reasonably situated well in New Hampshire so they are not subject to the same egregious tax burden that other companies are. I mentioned the branding issue only because there is a public record of it and it's a good thing to review both to see what not to look at and to look at the consultants who were hired and see exactly why they said it was a terrible idea but that was not the ultimate decision that was made. To the extent that other organizations have adopted that well congratulations, they adopted a terrible idea and it's not incumbent on the city to promulgate that idea.

Chairman Clemons

Thank you very much for your time and we will take up your appointment in a little bit.

COMMUNICATIONS

From: Dorothy Clarke, Esq., Deputy Corporation Counsel
Re: O-16-010, Adoption of Amendments to Merit Employee Rules and Regulations
Effective July 1, 2016

**MOTION BY ALDERMAN CLARKE TO ACCEPT AND PLACE ON FILE
MOTION CARRIED**

APPLICATION TO LICENSE HAWKER'S, PEDDLER'S, ITINERANT VENDOR'S LICENSE - None

APPOINTMENTS BY THE MAYOR

Arts Commission

**MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE FOLLOWING INDIVIDUALS
TO THE ARTS COMMISSION: LINDSAY RINALDI FOR A TERM TO EXPIRE APRIL 1, 2018, MITZI
BARRETT FOR A TERM TO EXPIRE MAY 1, 2019, AND BONNIE GUERICO FOR TERM
TO EXPIRE APRIL 1, 2019
MOTION CARRIED**

Business & Industrial Development Authority

**MOTION BY ALDERMAN LEBRUN TO TABLE THE APPOINTMENT OF KIM REAGAN AND INVITE
HER TO THE NEXT PERSONNEL/ADMINISTRATIVE AFFAIRS COMMITTEE MEETING
MOTION CARRIED**

Conservation Commission

MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE APPOINTMENT OF WILLIAM S. PARKER TO THE CONSERVATION COMMISSION FOR A TERM TO EXPIRE DECEMBER 31, 2018

ON THE QUESTION

Alderman Deane

I'm not going to be supporting this nomination. It was abundantly clear to me that Mr. Parker needs a little time to understand exactly what the Conservation Commission's function is. I'm not downplaying his ability to understand the landscaping and landscaping architecture of plants and everything of that nature and trees. But what I heard tonight seemed like more of a vetting of what's been done in our community. I think the Conservation Commission has an entirely different function than what was perceived or understood by Mr. Parker, so I will not be supporting this nomination. Thank you.

Alderman Siegel

Might I suggest that perhaps the nomination be tabled? Obviously I can't make a motion nor am I making the motion, only so that Mr. Parker could get the opportunity to perhaps review minutes, attend the meetings to make sure he is sure this is something he wants to do. Most of the time when nominees come before the committee, they are fairly familiar with the actions of the organization they are volunteering for. I just want to be fair to everyone and see if maybe that makes sense as a possibility.

Alderman Lopez

I completely agree with Alderman Deane's reasoning in terms of it being a good practice to research the committee that you are on before you join it, but it was also clarified that this is an advisory committee. I think there would be enough time for him to learn about the committee through practice and participation while at the same time being able to offer the blank slate opinion. He will bring landscaping experience and understand of conservation, while at the same time being able to convey to the committee, itself, what first impressions are in the community and how they actually impact professionals in the field. I understand your reasoning entirely. If it were not an advisory board only then I would have a completely different opinion.

Alderman Siegel

While you may view it as an advisory board only, in fact that advice carries quite a lot of weight. It is a lot more important than some of the purely advisory boards we see. I understand your view, but it's a fairly serious review. There are projects that come through the Conservation Commission. They are pretty heavily vetted, and the outcome of that is taken very seriously by other organizations. I just caution you about that.

Alderman Schoneman

I'm not on the committee either so I can't make the motion, but one of the advantages to holding off on this would give Mr. Parker the chance to see if he really wants this position. If his assessment of it was one thing and the reality of it is something else, he may find himself there if he is approved and he may not really want to be. I know he could certainly resign but it is always good to give the applicant a chance to make sure it is really what he or she wants to do. That's a suggestion.

Alderman LeBrun

I don't think we can overlook the fact that the Mayor vetted this candidate I would think fairly completely. He felt he was qualified. I really don't think we can overlook that fact.

MOTION BY ALDERMAN DEANE TO TABLE THE APPOINTMENT OF WILLIAMS S. PARKER TO THE CONSERVATION COMMISSION
MOTION FAILED

MOTION CARRIED TO RECOMMEND THE APPOINTMENT OF WILLIAM S. PARKER TO THE CONSERVATION COMMISSION

Cultural Connections Committee

MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE RE- APPOINTMENT OF BERNADETTE MELTON-PLANTE TO THE CULTURAL CONNECTIONS COMMITTEE FOR A TERM TO EXPIRE APRIL 30, 2019
MOTION CARRIED

Personnel Advisory Board

MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE FOLLOWING INDIVIDUALS TO THE PERSONNEL ADVISORY BOARD: MICHELLE O'MALLEY FOR A TERM TO EXPIRE MAY 1, 2017, SHEILA J. KABAT FOR A TERM TO EXPIRE MAY 1, 2018, AND CAROL BALDWIN FOR A TERM TO EXPIRE MAY 1, 2019
MOTION CARRIED

Zoning Board of Adjustment

MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE APPOINTMENT OF MARIELLEN MACKAY TO THE ZONING BOARD OF ADJUSTMENT FOR A TERM TO EXPIRE SEPTEMBER 11, 2018
MOTION CARRIED

Economic Development Director

MOTION BY ALDERMAN LEBRUN TO CONFIRM BY VOICE VOTE THE APPOINTMENT OF TIMOTHY CUMMINGS TO THE OFFICE OF ECONOMIC DEVELOPMENT DIRECTOR FOR AN INDEFINITE TERM AT THE PLEASURE OF THE MAYOR

ON THE QUESTION

Chairman Clemons

I would just like to say that I think you are going to be a very good addition to the city, and I look forward to working with you.

MOTION CARRIED

UNFINISHED BUSINESS – None

NEW BUSINESS – RESOLUTIONS - None

NEW BUSINESS – ORDINANCES

O-16-010

Endorser: Alderman-at-Large David W. Deane

**ADOPTION OF AMENDMENTS TO MERIT EMPLOYEE RULES AND REGULATIONS
EFFECTIVE JULY 1, 2016**

Alderman Deane

You were working with corporation counsel on this, what was your recommendation?

Chairman Clemons

We have a memorandum that we accepted and placed on file from corporation counsel which advises us that we can do a number of things. Ultimately the Personnel Advisory Board will have to weigh in on the legislation before we can pass it at the full Board level. In addition to that Mr. Griffin and Mr. Budreau have to weigh in on it as well. With that in mind, obviously the Personnel Advisory Board is not going to be able to meet until we appoint the three individuals at our next meeting. I would recommend we table the ordinance in committee and wait for a recommendation from the Personnel Advisory Board. I will solicit, or Alderman Deane can solicit, an opinion from Mr. Griffin and Mr. Budreau perhaps after the Personnel Advisory Board makes a decision, or we could do it before. There are a number of things we could do. We could discuss it now and move it forward to the full Board.

Alderman Deane

Our ordinances don't allow us to do that.

**MOTION BY ALDERMAN DEANE TO TABLE O-16-010
MOTION CARRIED**

O-16-11

Endorsers: Alderman Don LeBrun
Alderman Ken Siegel
Alderman David Schoneman
Alderman Tom Lopez

**ADOPTING PROVISIONS FOR REDUCED TAXATION FOR CERTAIN CHARTERED PUBLIC
SCHOOL FACILITIES**

MOTION BY ALDERMAN LEBRUN TO RECOMMEND FINAL PASSAGE

ON THE QUESTION

Alderman LeBrun

The purpose of O-16-011 is to adopt provisions for reduced taxation for certain chartered public schools. This ordinance adopts the provision of RSA 79-H, Taxation of Certain Chartered Public School Facilities. If this legislation passes, the current state statute provides that the city hall shall appraise qualifying chartered public schools at no more than ten percent of its market value. No owner of land or buildings renting or leasing to a qualifying chartered public school facility shall be entitled to have the property appraised for any tax year under the provisions of RSA 79-H, unless the owner applies to the city on or before April 15 of the said year, on a form approved and provided by the commissioner of the department of revenues

administration, to have the property so appraised. The application shall include a verified copy of the rental or lease agreement containing terms and provisions identifying the specific real property exclusively used by the chartered public school and payment terms under the rental which assign the tax exemption to the benefit of the chartered public school. Mr. Chairman, we all know that our traditional public schools pay no taxes at all. Chartered public schools are bound by the same regulations and standards as are the traditional schools. Therefore, there is no practical reason why the chartered public schools should not be afforded some tax relief. Mr. Chairman, the chartered public schools are ranked far above the traditional schools. We have one chartered public school ranked number one in New Hampshire. In the meantime, our traditional schools are ranked at about one one-hundredth. The quality of education being turned out at the chartered schools is far superior. It costs the taxpayers about \$13,000 per student in the traditional school compared to about \$6500 in the chartered public school. That's about half the cost for a far superior education. I think we deserve to see our youth get the best possible education available. I think we all agree with that. Keeping this in mind, it is my hope that this committee will commit this legislation to the full Board with an ought to pass recommendation. Mr. Chairman, this is for the good of our children which we all want to see prosper. This is not about campaigns. It's not about elections. It's not about financial contributions, but only the interests of youth. Thank you Mr. Chairman and members of the committee for the attention that you are being asked to give to this important legislation. If enacted this legislation will take effect April of 2017. Thank you, Mr. Chairman.

Chairman Clemons

It's an RSA, correct? The benefit will go towards the rent? Is that the way I understand it?

Alderman LeBrun

The way the RSA reads: Chapter, 79-H:2: "A town or city may adopt the provisions of this chapter by vote of its legislative body using the following procedures: In a city or town that has adopted a charter under RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. If a majority of those voting on the question vote "yes," the provisions of this chapter shall take effect within the town or city on the date set by the legislative body, or in the tax year beginning April 1 following its adoption, whichever shall occur first."

Chairman Clemons

I understand the mechanics behind that works, but if you are a property owner and you are leasing to a chartered school, does the tax benefit go to you or does it go to the chartered school?

Alderman LeBrun

It goes to the chartered school.

Alderman McCarthy

How do we ensure that? The lease is a free-market instrument. If I were the owner of the property, I would take whatever I could get. If I could lease it to a chartered school instead of a for-profit business for slightly less but not the entirely tax break less, I'm going to make more money. Why wouldn't I be doing that? The concern I have with this legislation is it is basically giving tax breaks to a for-profit rental operation.

Chairman Clemons

I understand the mechanics of it. If your taking off the lease \$500, you're also taking off the property taxes of \$500. The loser in the end is the city but with the hope that the educational benefit is there.

Alderman McCarthy

And I don't want to get into the debate over the better education because first of all it's not our purview. That's a Board of Ed issue. I don't necessarily believe that in the case of the Nashua school system, chartered schools are definitely better. If one looks at our success matrix in the Nashua School system, particularly with things like Ivy leagues acceptance, we have an excellent school system. If we're going to have that debate, it's going to be a lengthy debate and it is going to involve data we have no way to collect. To me the issues around the bill that is in front of us is: do we give a tax break to a for-profit landlord and hope that it goes through to make chartered school education cheaper. I don't see any guarantee that would happen.

Alderman Siegel

First of all, there is a guarantee that happens. It's called a lease. Two things. One, most leases are written with the taxes separate, broken out. You are given a tax bill; you pay your percentage of the tax bill depending on what percentage of the property you rent. To the extent a lease has everything rolled up, those entities that are chartered schools seeking to get rental property certainly would be aware of this provision and would insist on the pass-through unless they are incredibly silly which is unlikely. The probability of it going to a for-profit landlord is fairly low to vanishingly existent at all.

Alderman Lopez

I am supportive of the statistics in terms of costs to the city. Chartered school students costing the city less, I was in favor of. Also, I believe there should be school choice. People should have the option of this is the appropriate school that I believe is best for my child. I don't think that choice should skew too heavily away from the public school population, especially since it is designed for people who don't have the same means or access that people who would be able to choose a chartered school have. I just want to publicly comment without engaging in a debate that I don't believe that public schools are considerably better than chartered school or necessarily even better. I think it should be looked on a case-by-case basis as to how a specific school is doing, how a specific student is doing and what their needs are. In my mind it's more a case of accurate placement than anything else. I also understand Alderman McCarthy's point that there isn't exactly a provision to guarantee that money being saved by a landlord who is exclusively renting to a chartered school would pass that on. Would it be in order to amend the legislation to include a provision that the lease also has to have that guarantee in it?

Alderman McCarthy

I just don't see how you do that. With regard to the lease, even if the rent is specified separately from the taxation, there's a clear effect on what the market will bear. If I go into a car dealership and say I want to buy this car. What's the price of this car? The price of the car is different if I get two percent financing or if I get one percent financing. Even though they are in completely separate places in the lease or the sale, the bottom line is the bottom line. How you break it up into the subsections doesn't matter. I have to say that the guy who owns property and leases it, is going to be a heck of a lot better getting the money into his pocket than the person that owns the chartered school that occupies the building.

Alderman Caron

How many chartered schools are we talking about?

Alderman LeBrun

Currently we are talking two chartered schools in Nashua.

Alderman Caron

Sometimes I think we get into grey areas. I agree with Alderman McCarthy. When you go in to buy or lease, to rent the landlord is going to say by the way we will give you a break. We are going to get a break on our property taxes because of this. When you look at who owns this and these taxes have to go somewhere every time we do that. It's like when we give the elderly exemption, somebody is picking up that burden. Are we looking at other schools? There are a lot of private schools. Are they going to look to see if they can get a break because they have a wonderful private school system? I think it could go either way. I'm not in favor of this at all. I'm really not. I'm in favor of trying to help people, but I don't think this is what we should be doing. If you own a school, maybe, but even then I'd have some doubts.

Chairman Clemons

With regards to the city getting involved in leases, a number of years ago when I was first elected to the Board of Aldermen, I wanted the ability for the city to be able to give out a tenant responsibility-landlord responsibility sheet in every lease. I was told by corporation counsel at the time that there are a number of different Supreme Court cases in New Hampshire that cities and towns can't get involved in private leases. The way that I see this working is basically it's going to be the honor system. If the chartered school applies to the city and the city gives a tax break, the chartered school is going to know that the city gave a tax break. The chartered school is going to know how much the tax break was. They are going to be expecting that money back. If they don't get it back then they have a lawsuit on their hands because basically we're charging the landlord less in their taxes. However much less we're charging them in their taxes, that's how much that they would expect off the lease.

Alderman McCarthy

There's no reason the landlord has to deal with that. The landlord can just say the lease price is the lease price and you can take it or leave it.

Chairman Clemons

He would be in violation of state law.

Alderman McCarthy

What state law? There's nothing in the state law that sets the lease price. It simply says the lease terms have to be disclosed. Market valuation is an extremely difficult science. We have a whole group in the basement that tries to do it with only moderate success. I don't know that we can ever figure out whether or not the lease price that somebody is paying for square footage in Nashua includes or doesn't include the tax break the city gave to the landlord.

Alderman Siegel

With all due respect to my colleague, Alderman Caron, leases are negotiated. I've negotiated a lot of them. You are presented with an option by the landlord, and you negotiate that. To the extent that you don't come to an agreement, for example, say in the case of Alderman McCarthy, the landlord says I am not going to lease you the property under that provision. You can't get that money back, in which case you have an alternative. You can walk away which would be wise to do and choose a different landlord. That landlord could then pursue a different tenant at equal or greater rent. There's no way the city should ever get involved in private transactions like that. That's the way leases work. You have this tool which is an advantage for the lessor. Here's this advantage that we can offer. That's fairly straightforward. The real question becomes then if this is something as a policy we wish to enact in the city. I think we should

because I think long term it helps us provide more school choice which I think is a very good thing. Ultimately by providing more school choice, we could potentially drive down the cost of overall school because other organizations do it less expensively. I'm not going to argue whether they do it better or not. There's a choice. Do we wish to weigh that and say this is a good thing? In my opinion, it's a very good thing to allow for choice. While yes, we do have a certain percentage of Ivy League students that graduate, there's a big dichotomy and gifted students are thrown into a situation where it's very difficult for them to succeed sometimes. That's particularly in middle school where these things would become advantageous. That's my personal experience with three children that went through the gift program and had some of these middle school related issues.

Alderman Schoneman

I share my colleagues, Alderman Siegel and Alderman Lopez's views about the benefits of choice. Without getting into the quality of education, I think the taxpayers get a benefit too through the education. I can speak specifically to the lease issue with one of the chartered schools. Academy for Science and Design leases their property and pays tax separately. They pay their own property tax. A benefit like this would go to them directly. They paid \$80,000 in Fiscal '16. A large portion of that would go directly back into the school's ability to provide more education. At \$6,500 per student, they are very thin. This would be a benefit that would go directly to the school and directly to the students.

Alderman Lopez

I understand what Alderman Siegel is saying about renegotiating a lease if the terms aren't favorable, but I am ignorant of the physical site requirements for schools. I know in public schools and day cares there are very specific education mandated standards. You have to have a water fountain; you have to have numerous features. You also have to have a physical layout that could be a school. I'm wondering if anybody has more familiarity with that. My concern now is would a chartered school be able to actually negotiate with landlords?

Alderman Schoneman

The only chartered school I have personal experience with is the Academy for Science and Design. They are located in what is really an industrial park. They may have had to make modifications like drinking fountains, but if you walk in there it still looks very much like it would have been an industrial office park. The other two chartered schools, the MicroSociety went into a building that was used by the health department or Dartmouth-Hitchcock. There's another one, the arts school, went in somewhere else. The spaces they go into are relatively easily converted into something. I think there's an ability to shop a little bit. Any business that goes into any facility is going to need to make some modification to suit its needs and purposes.

Alderman Siegel

So I have a little familiarity with the charter school for the arts, I was asked by Dan Sennott who was on the Board at the time, for some advice. They were going to locate on West Hollis Street and it fell through on the day they were to close the lease and ended up locating across from the "Y." Their plan was always to do a build out to suit, classrooms, theater area, gyms; those are not typically available in a normal commercial space.

Alderman Schoneman

There are a lot of non-profits around that don't own their own space and a non-profit would be eligible for tax exemption on their property tax and if that's the case then I think the situation for that non-profit renting space somewhere would be similar to what we are talking about for a charter school.

Alderman McCarthy

That's true of charitable organizations, if you are a 501 C3 then that space can be tax exempt.

Alderman Schoneman

So it sounds like it could be the same type of situation with a landlord?

Alderman McCarthy

I would assume so.

Alderman Lopez

St. Patrick's has a whole school on Spring Street so if this would pass then they would be able to...what would happen if they rented it out to a charter school because then it's a non-profit?

Alderman McCarthy

It's complicated, St. Patrick's is itself charitable and not subject to taxation, however, if they rent property to a for profit business then that property is subject to taxation and I don't know whether a charter school on its face qualifies as...it obviously doesn't qualify as a charitable use or we would have this legislation in front of us. If it's a for profit school then it would not.

Alderman Lopez

Okay I think I just confused the issue.

Alderman Schoneman

These are publicly funded schools that anyone in the City of Nashua can attend as well as other cities. It's public education that is provided at no cost to the parents. There might be some charge for books, instruments or athletic fees, I don't know but the school provides the education. It would be the same financial arrangement for the families as those that are going to regular public schools and in as much as the regular public schools are exempt from taxes and are able to use what they might otherwise spend in taxes to put towards education, it sounds like a reasonable thing to do; especially when the charter schools are as thinly funded as they are at about \$6,500 per pupil. It sounds like a good idea to me.

Chairman Clemons

Personally I have mixed feelings about charter schools. I'm not saying that they don't do a fantastic job, however I'm not certain that they don't do that at the detriment of a public school. For me to vote to give them a tax break I wonder; there are only a few schools in Nashua so it's not a huge amount of money but on the other hand they already get public funding. I'm not sure where I am at with this legislation.

Alderman McCarthy

I just want to repeat that I am not as concerned about the charter school issue as I am the tax policy issue. I think as a rule that the three charter schools that we've got are doing a prenominal job. There is a bigger issue that you have to look at. You are looking specific ally at the area of taxation policy on rental properties so if the statement here is well we are going to give a tax break because it saves us money to have a charter school, what about housing or a landlord who rents to Section 8 families? Wouldn't we want to give a tax break to allow those dollars to go further? There is a large area of how do we apply real estate tax policy to specific uses that have benefit to the community and in general we haven't done that in very many places. I think this is a little microcosmic piece of a really big puzzle that we're singling out. I think that the beneficiary of it is primarily the landlords.

Alderman Lopez

This is driven by an RSA. It wouldn't be that same factor with regards to a Section 8 landlord housing.

Alderman McCarthy

The legislature has not chosen to say that's something we want to promote. They have chosen to say we want to promote chartered schools with tax breaks.

Alderman Siegel

I would point out that we have actually directed tax breaks to certain developments and real estate. We waived land use fees over a period of time with the Renaissance project. It depends on what the city desires at the time. This isn't an exceptional situation in that sense because we have made those decisions.

Alderman McCarthy

There are some incentives that we have given that we can use and we have used. There is no general incentive to say we will waive the taxes on a piece of property that is used for subsidized housing.

Alderman Siegel

If I might continue, the RSA is the incentive that we have been given, it is exactly the tool that we have been given by the state to use. We didn't invent this ourselves.

Chairman Clemons

Are there any other communities that have adopted this?

Alderman LeBrun

Not that I am aware of.

Alderman Schoneman

We just passed an exemption for solar panels that was based on a state endorsement or at least a policy that was voiced as being favorable if not based on a RSA. I think this does come from the state. I think there's a desire to help this branch of education for the purpose of the kids that are going to the school.

The Academy for Science and Design, it would go directly to the chartered school because the landlord doesn't pay that tax. The school pays the tax, and it would be a savings to them. I think that's probably how most leases are. I think a landlord is probably anxious not to be responsible for the tax and probably very anxious to say you pay the taxes.

Alderman LeBrun

It's the same with the MicroSociety Chartered School.

MOTION CARRIED

DISCUSSION

PUBLIC COMMENT

Mr. Dick Gagnon

I live in Goffstown, New Hampshire. I'm on the Board of Trustees for the MicroSociety Academy. I would like to thank you folks for voting in favor of this. I'd like to add to a little about Gate City Chartered School. We took that property over. It's now MicroSociety Academy Charter School. Alderman Lopez, there was a lot of renovation that had to be done to make that look like a school and function like a school. As a chartered school, we are required for all the safety issues. We are a public chartered school. We have to follow the same rules as everybody else. We don't get the benefit of the tax, property income that the regular public schools here in the city do. Again on behalf of all of our faculty, staff, the board of trustees, all the kids in the school, thank you for pushing it forward with a positive recommendation.

REMARKS BY THE ALDERMEN

POSSIBLE NON-PUBLIC SESSION

ADJOURNMENT

MOTION BY ALDERMAN CARON TO ADJOURN

MOTION CARRIED

The meeting was declared closed at 9:05 p.m.

Alderman Don LeBrun
Committee Clerk